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Co-Lead Counsel

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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

IN RE TEZOS SECURITIES LITIGATION

This document relates to:

ALL ACTIONS.

Master File No. 17-cv-06779-RS

CLASS ACTION

**REPLY DECLARATION OF HUNG G. TA
IN FURTHER SUPPORT OF MOTION FOR
DISTRIBUTION OF ATTORNEYS' FEES**

Date: N/A
Time: N/A
Dept.: N/A
Judge: N/A

Hearing vacated and matter referred to Chief
Magistrate Judge Joseph C. Spero (Dkt. Nos. 268
and 270)

1 I, HUNG G. TA, ESQ., declare as follows pursuant to 28 U.S.C. § 1746:

2 1. I am the principal and Managing Director of the law firm Hung G. Ta, Esq. PLLC
3 (“HGT Law”), Co-Lead Counsel in this action. I am an active member in good standing of the bar of
4 the State of California, as well as the bar of the State of New York. I submit this declaration in further
5 support of HGT Law’s Motion for Distribution of Attorneys’ Fees. I have direct and personal
6 knowledge of the matters set forth in this declaration, and if called to testify, I could and would testify
7 competently thereto.

8 2. Attached hereto as Exhibit 18 is a true and correct copy of the transcript of the August
9 27, 2020 hearing by the Court of Lead Plaintiff’s Motion for Final Approval of Class Action
10 Settlement and Plan of Allocation and of Lead Counsel’s Motion for an Award of Attorneys’ Fees
11 and Litigation Expenses.

12 3. Attached hereto as Exhibit 19 is a chain of emails between Jeffrey Block of Block &
13 Leviton and myself attempting to resolve the fee allocation dispute that is the subject of this Motion.

14 4. Attached hereto as Exhibit 20 is a true and correct copy of Defendant DLS’s First Set
15 of Requests for Production to Lead Plaintiff Trigon Trading Pty. Ltd., dated April 12, 2019.

16 5. Attached hereto as Exhibit 21 is a true and correct copy of an email (without
17 attachments) from HGT Law to Defendants’ counsel on October 18, 2019, serving discovery requests.

18 6. Block & Leviton argues in its Opposition that its fee allocation proposal is justified
19 because HGT Law was purportedly “disruptive” in seeking to pursue discovery in the lead-up to the
20 Second Mediation. Opp. at 8, 14. That is not true. Block & Leviton and Lead Plaintiff Trigon were
21 reluctant to pursue discovery because of two potential vulnerabilities relating to Trigon’s adequacy
22 to continue serving as Lead Plaintiff. Specifically, Defendants propounded discovery concerning
23 Trigon’s statement on its website that “[d]igital currencies are NOT considered securities and are
24 NOT subject to the same regulatory requirements as SEC-registered securities, exchange traded funds,
25 or similar investment vehicles.” Ex. 20, Req. 35. This was precisely the opposite of the position that
26 Trigon was required to take as the Lead Plaintiff in the Tezos litigation. In addition, Defendants
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1 sought to take discovery of the relationship between Trigon and a certain individual, James Gino
2 Salerno. *Id.*, Reqs. 42 to 44.

3 7. As a result, it was Block & Leviton who proposed that discovery be suspended pending
4 the Second Mediation. Defendants themselves did not require that discovery be suspended, and
5 indeed proceeded to take the deposition of one of the named Plaintiffs represented by HGT Law. On
6 September 16, 2019, my colleague and I conducted a telephone call with counsel for the Tezos
7 Foundation. Jeffrey Block and Jacob Walker from Block & Leviton also participated in the call.
8 During the call, Defendant's counsel confirmed that it was not Defendants who insisted on suspending
9 discovery pending the Second Mediation, and that it was Mr. Block who first proposed the idea.

10 8. Thus, Trigon/Block & Leviton's present claim that Trigon threatened to remove HGT
11 Law as Co-Lead Counsel or to withdraw as Lead Plaintiff (Opp. at 14) based on "disruptive" behavior
12 is untrue. Trigon's threat to withdraw as Lead Plaintiff was motivated solely by its reluctance to
13 participate in further discovery.

14 9. Block & Leviton also claims that, on November 22, 2019, Jacob Walker had a
15 conversation with me in which I purportedly stated that I had "no problem" with dividing fees equally
16 between the members of the HGT Group and Block & Leviton/Hagens Berman. No such conversation
17 took place. November 22, 2019 was when the Second Mediation was conducted. There was no
18 discussion amongst any of the Plaintiffs' counsel about the allocation of any fees during the Second
19 Mediation. In addition, in the lead-up to the Second Mediation, it became clear to the HGT Group
20 that Block & Leviton, Hagens Berman and Robbins Geller were acting as one group, a view now
21 confirmed by Block & Leviton's admission in its Opposition that there existed a Side Agreement
22 between these firms. Therefore, it would not have made sense for me to discuss the allocation of fees
23 just to Block & Leviton and Hagens Berman in the Block Group, and to omit Robbins Geller from
24 the discussion of the Block Group.

25 10. As stated in my opening Declaration, after HGT Law and LTL initially proposed an
26 allocation of work and fees to Block & Leviton on March 7, 2019, which Block & Leviton rejected
27 as "premature," there was no further discussion between the firms about the allocation of work and
28

1 fees. Dkt. No. 266 at ¶ 26. Mr. Block’s own email confirms that there was no further discussion of
2 fee splits between HGT Law and Block & Leviton until after August 31, 2020. In his September 23,
3 2020 email to me, Mr. Block states “[t]he only proposal **you have ever made** regarding the allocation
4 of attorneys’ fees in this case was contained in your September 1, 2020 email.” (emphasis in original).
5 Dkt. No. 272, Declaration of Jeffrey C. Block in Opposition to Motion for Distribution of Attorneys’
6 Fees, Ex. G.

7
8 I declare under penalty of perjury that the foregoing is true and correct.

9 Executed on this 14th day of October 2020, at New York, New York.

10 /s/ Hung G. Ta

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15 *Co-Lead Counsel and Counsel to*
16 *Plaintiffs Pumaro LLC, Artiom Frunze,*
Hayden Hsiung, and Gijs Matser